

CONSTRUCTION BULLETIN

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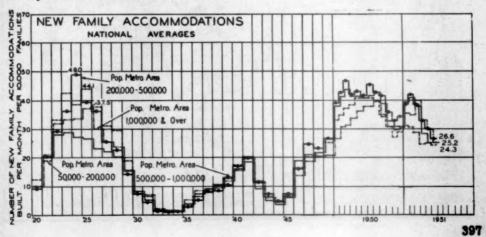
BIG CITY CONSTRUCTION VOLUME HARD HIT

N the first half of this year the number of nonfarm residential units started was 19% below that of the same period in 1950. Among those areas hit hardest was the New York and Northeastern New Jersey area. where starts dropped 44% from last year's half-year level of 66,000. The Detroit area, where last year's total starts through June were nearly 21,000, dropped 42% to just a shade over 12,000. On the West Coast, Los Angeles home construction received a 35% setback. Starts there in the first six months of 1951 were only 37, 300 compared with nearly 57, 000 for the first six months of 1950. In the Southwest, the same comparison revealed Houston's 5,600 starts for the first half of 1951 running 30% behind last year's first-half total of 7, 947.

Of the Big Cities, Chicago seemed hurt least of all. There, nearly 14,000 units got under way during the first half of this year compared with 16, 318 started during the same period of 1950. The drop, therefore, was only 14%.

Detailed figures on city-by-city public housing starts are not yet available. but there is little question that residential construction in some cities looks pretty good and in others less bad because public housing starts have increased so much and are included along with private starts

Regulation X has finally taken hold and is working a good deal more effectively than the figures on the first half year indicate. The real story will be told in the July to December totals.



Residential building in all metropolitan areas of the United States as defined by the 1940 Census is charted on the following pages. The 140 areas include all areas in which the central city has a population of more than 50,000.

In each city all suburbs, incorporated and unincorporated, have been contacted, and in all except fourteen it has been possible to include practically all of the suburbs within the metropolitan area. For example, the New York City figure includes the building in 305 suburban communities; Philadelphia, 154; Pittsburgh, 157; Chicago, 99; and Detroit, 65. In all, more than 2200 communities are represented on these charts.

On the charts the figures are expressed as the number of new family units provided per 10,000 families in each metropolitan area. In this computation, a single-family dwelling counts one, a two-family dwelling counts two, and a twenty-four family apartment counts twenty-four: Recently, all Federally subsidized slum clearance and war housing projects have been included, as have buildings privately built and financed with government loans.

The blue italicized numerals on each chart give the number of new family accommodations built in the last three months for which figures are available; these are actual figures and are not adjusted for the number of families. The red italicized numerals give the corresponding figures for the corresponding period of a year ago.

It should be noticed that separate averages (medians) have been used for four groupings of metropolitan areas.

The average number of new family accommodations built per month per 10,000 families is shown from 1920 to the present for metropolitan areas having from 50,000 to 200,000 people (the solid red line); for areas having from 200,000 to 500,000 people (the beaded red line); for areas having from 500,000 to 1,000,000 people (the dash-dot line); and for those areas having a population of over 1,000,000 (the dashed red line). Eighty areas fall into the first category; thirty-eight into the second; and eleven each into the third and fourth.

On each area chart is shown in red the national average for areas in its grouping in contrast to the blue line, which shows the figures for the specific area. The averages used on the area charts are medians. A median average is found by arranging the data in order of size and selecting the amount at the midpoint. Because a median average thus eliminates the influence of the two extremes, it gives a very good picture of the typical area in each group.

On the chart on page 397 we have also shown national averages for each of the groupings of metropolitan areas - (1) 50,000 to 200,000 population; (2) 200,000 to 500,000 population; (3) 500,000 to 1,000,000 population; and (4) 1,000,000 population and over. These averages should more properly be called arithmetic means. An arithmetic mean is obtained by adding the amounts of all the items and then dividing by the number of items. It will be noticed that the arithmetic mean, being influenced by areas with a greatly accelerated rate of new building, is above the median average of each of the groupings. The arithmetic means are given for each grouping in order that a comparison of new building on a volume basis may be made.

CHANGES IN VOLUME OF RESIDENTIAL CONSTRUCTION FIRST HALF OF 1951 COMPARED WITH FIRST HALF OF 1950



